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### REMARKS

This amendment is submitted in response to the Official Action mailed March 8, 2006. In view of the above claim amendments and the following remarks, reconsideration by the Examiner and allowance of the application is respectfully requested.

Claims 1 - 4, 7 and 10 have been amended to more particularly point out and distinctly claim the subject matter that applicant regards as the invention. In particular, Claim 1 has been amended to recite a method in which an account is created for magnetic card access by a third party financially dependent on a fund depositor, funds are transferred to the account and a magnetic card is issued to the third party for access to the funds, wherein spending any amount of funds using the card on alcohol or tobacco is prohibited. The purpose of this amendment is to align the language of Claim 1 with the disclosure of U.S. Patent Application Ser. No. 08/585,173 (the '173 Application) filed April 16, 1996, from which priority is claimed. The present application incorporates by reference the '173 Application, a copy of which is enclosed for reference by the Examiner. Thus, any amendment to Claim 1 that is not literally supported by the present specification is supported by reference to the '173 Application, so that the amendments to Claim 1 do not introduce new matter.

In particular, support for amended Claim 1 in the '173 Application is identified in the following Table:

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### Claim 1

A method for transferring funds to  
third party dependents, comprising:

creating an account for magnetic card access  
by a third party financially dependent upon a  
fund depositor, from which funds may be  
transferred at the request of said third party  
as a cash withdrawal or payment for goods  
or services purchased by said third party;

transferring funds to said account and  
issuing a magnetic card to said third party  
for access to said funds;

wherein spending any amount of funds using  
said card on alcohol or tobacco is prohibited.

### '173 Application

[A parent tells his credit] card  
company to take \$80 a month charge it to his  
account and put \$40 to each of his children's  
allowance cards.

A parent tells his credit] card company to  
issue ... Allowance Cards [to his children  
linked to] his main account. ...if they choose  
to spend [the allowance] quicker or slower  
...it is their choice. The Allowance Card is  
used in a similar manner as a credit card.

The Allowance Card allows quick and direct  
money transfers. [A parent] has the card  
company issue ... Allowance Cards.

The Allowance Card prohibits ... purchases  
of alcohol [or] tobacco

Claims 2 – 4, 7 and 10 have been amended to conform with the changes to Claim 1. New  
Claim 18 has been added directed to the magnetic Allowance card being a debit card. Debit card  
transactions are disclosed at page 15, line 15 and also do not introduce new matter.

For reasons which are submitted below, the claims are believed to be in condition for  
allowance. The claim amendments are believed to resolve the concerns raised by the Examiner.  
Accordingly, reconsideration is respectfully requested.

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Turning to the Official Action, the Examiner did not consider the '173 Application to support the pending claims. Without acknowledging the correctness of the Examiner's position, the claims have been amended so that there is now literal support in the '173 application for each and every limitation of Claim 1, which has been identified in the foregoing table. Applicants reserve the right to file a Continuation Application on the deleted subject matter and demonstrate priority support therefor at a later date. In the meantime, acknowledgement by the Examiner that the claims are entitled to priority benefit of the April 16, 1996 filing date of the '173 Application is respectfully requested.

Claims 1-8 10, 11, and 13-16 were rejected as obvious under 35 U.S.C. §103(a) in view of Fleming, U.S. Pat. 5,953,710 and further in view of Matsumoto et al., U.S. Pat. No. 6,345,263. Without priority benefit of the '173 Application filing date, the Examiner considered Fleming and Matsumoto et al. to be prior art. The Examiner then considered Fleming to disclose all the features of Claim 1 except for prohibiting any amount of funds to be withdrawn as cash or spent on at least one class of goods or services, but cited Matsumoto et al. as disclosing this. This rejection is respectfully traversed in view of the above claim amendments for the following reasons.

As noted above, the amended claims enjoy the April 16, 1996 priority date of the '173 Application, so that Fleming and Matsumoto et al. are not prior art against the present application. In addition, Matsumoto et al. do not teach prohibiting the card from being used to purchase alcohol or tobacco. Instead, the card carries age information regarding the purported bearer of the card from which the system decides whether the purchase of alcohol or tobacco is appropriate and only prevents the sale to underage card bearers.

The present invention, on the other hand, provides for an outright ban on alcohol and tobacco purchases, even if the bearer is old enough to purchase these products. The card is intended to be used by college dependents whose parent may not care if their children drink or smoke, but just

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does not want to fund such activities. Matsumoto et al. does not teach or suggest blocking the sale of alcohol or tobacco under such circumstances to purchasers who are of legal age.

Accordingly, Claim 1 as amended is not obvious in view of the cited combination of prior art. By amending Claim 1 to add limitations for which support clearly exists in the '173 Application from which priority is claimed, the rejection of Claims 1 – 8, 10, 11 and 13 – 16 under 35 U.S.C. §103(a) as obvious in view of the cited combination of Fleming and Matsumoto et al. has thus been overcome. Reconsideration by the Examiner and withdrawal of this rejection is therefore respectfully requested.

Next, Claim 9 was rejected as obvious under 35 U.S.C. §103(a) in view of Fleming and Matsumoto et al., and further in view of Dethloff et al., U.S. Patent No. 4,837,422. The Examiner acknowledged that neither Fleming nor Matsumoto et al. disclosed limits on amounts spent on particular goods and services and limits on transactional amounts, but cited Dethloff et al. as disclosing this. This rejection is respectfully traversed in view of the above claim amendments for the reasons set forth hereinafter.

To begin with, Fleming and Matsumoto et al. are not prior art against the present application. Furthermore, Claim 9 is directed to allowable subject matter by virtue of the features of amended Claim 1 discussed above. Reconsideration by the Examiner and withdrawal of this rejection for obviousness under 35 U.S.C. §103(a) is therefore respectfully requested.

Next, Claim 12 was rejected as obvious under 35 U.S.C. §103(a) in view of Fleming and Matsumoto et al., and further in view of Hilt et al., U.S. Patent No. 5,465,206. The Examiner acknowledged that neither Fleming nor Matsumoto et al. disclosed supplying information by e-mail but cited Hilt et al. as disclosing this. This rejection is respectfully traversed in view of the above claim amendments for the reasons set forth hereinafter.

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As already noted, Fleming and Matsumoto et al. are not prior art against the present application. Claim 12 thus is also directed to allowable subject matter by virtue of the features of amended Claim 1 discussed above. Accordingly, reconsideration by the Examiner and withdrawal of this rejection for obviousness under 35 U.S.C. §103(a) is therefore respectfully requested.

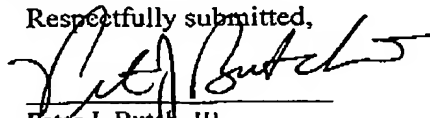
Finally, Claim 17 was rejected as obvious under 35 U.S.C. §103(a) in view of Fleming and Matsumoto et al., and further in view of Oncken et al., U.S. Patent No. 4,725,719. The Examiner acknowledged that neither Fleming nor Matsumoto et al. disclosed preventing payment to an individual payee but cited Oncken et al. as disclosing this. This rejection is respectfully traversed in view of the above claim amendments for the reasons set forth hereinafter.

Because Fleming and Matsumoto et al. are not prior art against the present application, Claim 17 is directed to allowable subject matter by the features of Claim 1 discussed above. Reconsideration by the Examiner and withdrawal of the rejection under 35 U.S.C. §103(a) in view of Fleming and Matsumoto et al. and further in view of Oncken et al. is respectfully requested.

Accordingly, in view of the above claim amendments and the foregoing remarks, this application is now in condition for allowance. Reconsideration is respectfully requested. The Examiner is requested to telephone the undersigned if there are any remaining issues in this application to be resolved. Finally, if there are any additional charges in connection with this response, the Examiner is authorized to charge Applicant's deposit account number 19-5425.

August 10, 2006

Respectfully submitted,

  
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